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Sri Lanka

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This chapter considers the timing and sequencing of peacebuilding interventions during Sri Lanka's turbulent war to peace transition since 2002. This transition has been characterised by a series of abrupt shifts in the priorities and strategies of the Sri Lankan state and international actors, and can be divided into three phases: (1) a failed attempt to achieve a negotiated settlement to the conflict from 2002 to 2006 (2) the successful pursuit of a military victory by the government over the Tamil separatist group, the Liberation Tigers of Tamil Eelam (LTTE), and (3) after 2009 a victor's peace where the government has prioritised regime consolidation over peacebuilding.

The chapter generates a number of wider lessons. First, and most straightforwardly, it demonstrates some of the problematic consequences associated with prioritising economic over political issues – an approach that was pursued both during the 2002-6 peace process and in the post-war period after 2009, albeit in pursuit of very different objectives.

Second, it illustrates how in 'state formation' conflicts, efforts to bolster security, promote justice and accountability, and foster development are likely to prove counterproductive if they are not preceded by a settled political consensus around the need for substantive state reform (Wallensteen 2002; Uyangoda 2011).¹ In the Sri Lankan case, there was only limited

¹ State formation conflicts are fought between governments and 'an identity-based, territorially-focused opposition' (Wallensteen 2002, 163). Uyangoda (2011) adds that resolution of such conflicts relies on state reform.

agreement about whether state reform was necessary, and disagreement about whether this should follow or run alongside the continued pursuit of military victory. After the LTTE's defeat, the government's post-war strategy in Sri Lanka diverged considerably from international 'best practice', and was concerned more with regime consolidation than peacebuilding.

Third, it generates lessons for the timing of international peacebuilding interventions. While the Sri Lankan case appeared to provide an opportune moment for international donors to support a successful negotiated settlement, there was very limited domestic consensus around the terms of any deal, and an alignment between international and domestic priorities proved fleeting. The fragility of the domestic situation was shaken further by geopolitical changes. This case indicates that the limited consensus amongst international donors that existed in the early 2000s may be splintering further with the growing influence of China and other emerging economies.

Fourth, the Sri Lankan case generates some broader insights into how sequencing processes in war to peace transitions can be analysed and understood. Sri Lanka has long grappled with sequencing dilemmas relating to the balancing of growth and equity, and perceived trade-offs between inclusive democratic institutions and economic development. Long-standing political divisions form the backdrop for sequencing decisions during Sri Lanka's recent war to peace transition. These historical cleavages have important implications for contemporary dynamics. I argue therefore that instead of simply providing a snapshot of the current balance of political power, it is important to understand how and why contemporary discourses and coalitions of interests came about.

The analysis presented in this chapter challenges models of change that often unwittingly see war to peace transitions as operating in a closed system and progressing in a relatively linear

fashion. I argue that these transitions are better understood as open systems with complex chains of causality, leading to widely varying outcomes in different contexts. As Cramer and Goodhand (2002) have argued, processes of change in war to peace transitions are best characterised as a process of ‘punctuated equilibrium’ where ‘charismatic moments in politics’ provide temporary spaces where new coalitions and political settlements can rapidly emerge. This political economy approach to war to peace transitions emphasises the importance of critical junctures, which in the Sri Lankan context have often occurred in close proximity to democratic elections. This approach reveals deficiencies in the reductionist assumptions that have informed international and domestic policymaking in Sri Lanka, such as the view that economic reform and development will drive political transformation or vice versa.

Mainstream sequencing and timing debates have generally focused on contexts characterised by weak growth, low security capacity and low levels of government legitimacy. Discussion of timing and sequencing often starts from the assumption that intervention is organised by an influential and co-ordinated group of international players. In such contexts, while there is widespread acknowledgement that international donors will not take a leading role in driving decisions about timing and sequencing (OECD 2008; OECD 2012), there is often an expectation that external actors will be able to strongly influence decisions about the timing and sequencing of peacebuilding reforms. Sri Lanka diverges considerably from this standard picture – it is a functioning democracy with strong institutions, enjoying high levels of popular legitimacy (at least amongst the majority community), and characterised by sustained growth and high levels of human development. As such this case helps to refine some of the general arguments that have emerged from this mainstream timing and sequencing literature.

The chapter is organised as follows. The first section provides a general introduction to the Sri Lankan case, discussing how its experience diverges from some of the more high-profile

sites of liberal peacebuilding, and sketching some of the broader historical dynamics of contemporary sequencing debates. Sections 2 and 3 provide a more detailed analysis of Sri Lanka's war to peace transition with section 2 focusing on the 2002-6 peace process and its aftermath, and section 3 considering developments in the post-war period after 2009. Section 4 concludes by reflecting on the key implications of this case study for broader timing and sequencing debates.

The chapter examines three distinct periods in Sri Lanka's war to peace transition. The first covers the 2002-2006 peace process. This process was heavily internationalized and followed an incremental approach, where economic reform and reconstruction were prioritised ahead of core political issues. The failure to force either party to commit to reforms created a sense of drift which gradually undermined the legitimacy of the talks. Negotiations were closely tied to economic reforms, which were unpopular outside the capital Colombo and the surrounding Western province. In some senses, the timing of international intervention was propitious; there was a hurting stalemate on the battlefield and growing popular support for a negotiated settlement. This was not, however, a stable situation; the peace process was destabilised by a split within the LTTE in 2004, a change in government following the 2004 elections, and a re-balancing of Sri Lanka's geo-political relations towards regional powers.

The second period spans most of the first Presidential term of Mahinda Rajapaksa between 2005 and 2009. Rajapaksa was elected after mobilising against the previous government's economic reforms and the over-internationalization of the peace process. War resumed in 2006 and the Government of Sri Lanka achieved a comprehensive military victory over the Liberation Tigers of Tamil Eelam (LTTE) in 2009. The third phase covers the post-war period during which the Rajapaksa-led government prioritised infrastructure development and downplayed the need for political reform and reconciliation. While large-scale construction and infrastructure projects have driven impressive post-war GDP growth rates,

the fruits of these economic dividends were heavily concentrated in the Western province and amongst elites, with limited job creation particularly in the conflict-affected Northern and Eastern provinces. Limited progress was made in promoting reconciliation and the Rajapaksa government was largely successful at deflecting the considerable international pressure for accountability in relation to alleged war crimes committed during the final stages of the war.

1. Sequencing and timing in the Sri Lankan case

Sri Lanka – an atypical case

Many of the key characteristics of the Sri Lankan case diverge from the general patterns found in the timing and sequencing literature, which has tended to focus on fragile states (Carment et al 2013). Typical challenges facing fragile states include the task of building the state's security and tax-raising capacities or establishing a newly competitive political system. These issues were less central in Sri Lanka which has a relatively robust set of state institutions, and where the central challenge facing policymakers has been how to make existing democratic institutions more inclusive.

The role of external actors in Sri Lanka has been more limited than in most fragile states, where international donors have greater economic and political leverage and have taken direct decision-making control over key post-war economic and political reforms. While Sri Lanka's peace process in 2002 attracted considerable international attention, external actors did not share a common set of goals, and commitment to peacebuilding proved to be quite weak. The relatively sudden and heavy internationalization of peace negotiations in 2002 contributed to a breakdown in trust between conflict parties and undermined the legitimacy of the peace process. While this case does not therefore represent a classic 'systemic dilemma' over local and international ownership, it nevertheless emphasises the complex interplay

between global and local political interests and the importance of these dynamics for determining the shape of the peace process (Jarstad 2008).

Sri Lanka's war to peace transition was a turbulent one, with democratic elections acting as a de-stabilising force. The case also therefore challenges the assumption, implicit in some of the sequencing literature, that war-to-peace transitions progress in a relatively orderly transition towards a positive end point, where policymakers can have some confidence in the general direction of travel. As Rangelov (2014, 193) notes timing and sequencing decisions are more typically made 'in societies caught in a 'grey zone' between conflict and peace, repressive and democratic rule'. These contexts are characterised by 'an inherent uncertainty about the overall direction of peace and transitional processes'.

A final distinctive feature of the Sri Lankan case is the fact that the war ended in military victory for the government. This victory was founded on a wider strategy of rejecting and mobilising against western peacebuilding norms. In recent years there has been a marked decline in the number of negotiated settlements and peace processes. This shift is closely related to the emergence of a multi-polar world characterised by diminishing support for the liberal peacebuilding norms. The pursuit of military victory is often premised on the assumption that a peaceful settlement to conflict follows a military victory and that victory for the stronger side precedes order and rule of law. Such contexts are typically reliant on the dominant political settlement remaining in place and as such they are often characterised by political fragility (Richmond 2014).

Historical legacies and sequencing dilemmas

One of the key arguments of this chapter is the need to frame contemporary peacebuilding dynamics within a wider consideration of history and the country's political economy. Many of the sequencing dilemmas facing Sri Lanka during its recent war to peace transition

resonate with deeper historical transitions since independence. Policy decisions about the sequencing of security, state reform, economic growth and human development have been at the heart of post-independence political debates in Sri Lanka, and have shaped the evolution of conflict on the island.

The literature on development, governance and conflict in Sri Lanka is replete with lessons and insights on broader timing and sequencing debates. For example, the decision to adopt the executive presidency in 1978, was informed by a perceived need to free political decision-makers from the populist constraints imposed by mass electoral politics, and based on a wider assumption that premature democratisation would undermine development in poor countries (Venugopal 2015). This perspective – which Coomaraswamy dubs the ‘JR mantra’ after Sri Lanka’s first President JR Jayawardene – emphasises the need to prioritise political stability and economic growth. An alternative view sees the pursuit of political reform and the rule of law ‘as being essential foundations on which all else is built’ (Commeraswamy 2014).

Sri Lanka has also been an influential case study in the ‘growth vs. equity’ debate. This dispute focused on whether Sri Lanka’s impressive social development indicators were underpinned by high rates of social expenditure, or whether in fact social development might have been enhanced by pursuing a ‘growth first’ strategy (Bhalla & Glewwe 1986; Isenman 1987). As Dunham and Jayasuriya (2010) note, a wider problem with this debate was that it neglected the potential role that these high levels of social spending had on ‘buying social peace’. They find that the pursuit of a more growth-oriented strategy in the late 1970s led to increases in perceived inequality – changes which fed directly into the series of insurrections that affected Sri Lanka in the 1980s. Dunham and Jayasuriya’s (2010) analysis therefore demonstrates that the time frame deployed for evaluating the impact of certain reforms or

changes in policy direction is often crucial: they argue that Bhalla and Glewwe's (1986) upbeat assessment of economic liberalisation looks quite different in the longer run.

These historical resonances are important not simply to emphasise the implications that sequencing decisions can have on conflict, but also, as will be demonstrated later, because the politics surrounding these debates have direct relevance for the more recent dynamics. So for example, when Rajapaksa distanced himself from the UNF's western-oriented economic strategy in 2005, this was as much a political calculation as an economic one. This public rejection of further economic liberalisation tapped into a deep-seated suspicion and hostility amongst a large section of the electorate towards such reforming programmes, and was based on well-established political coalitions and interests forged through earlier political struggles.

2. The peace process and the failure of gradualism (2002-2006)

Victory for Ranil Wickramasinghe in the 2001 parliamentary elections was viewed by many western donors as a ripe moment for engagement. Wickramasinghe's UNF coalition campaigned in support of a negotiated settlement and his economic vision for the country was closely aligned with that of the main multi-lateral donors. There was a 'mutually hurting stalemate' on the battlefield, and both parties had accepted Norway's role as mediator. A ceasefire agreement was signed in December 2001 and negotiations between the government and the LTTE began the following year.

Negotiations were underpinned by a shared stated commitment from the two main conflict parties to a strategy that prioritised economic development and normalisation over substantive progress on political issues (Sriskandarajah 2003). This gradual approach was inspired by the failures of previous peace talks in 1994-5 where most felt that the hard

political bargaining had begun before sufficient trust was built between the parties (Goodhand & Walton 2009). The prioritisation of economic dimensions was also a response to the economic crisis facing the country in 2001, following an attack by the LTTE on the Katunayake international airport. The LTTE was also facing new restrictions on its capacity to raise funds and lobby governments overseas. Whilst there was an apparent consensus in the positions of the two main conflict parties, in reality, their priorities were different from the outset. The LTTE were more eager to see substantive political progress in the short term while the UNF government saw a peaceful resolution of the conflict as a more long-term consideration. In the short- and medium-term they were content to see a negative peace co-exist alongside a more gradual process of normalisation and development (Uyangoda 2011).

As well as serving the narrow strategic interests of both sides who needed time to regroup and build trust, the gradual approach conformed to the dominant 'liberal peacebuilding' model of international engagement in conflict zones, which saw economic development as mutually supportive of conflict resolution. It was envisaged that promoting economic development would create disincentives for conflict parties to return to the battlefield, whilst progress in the peace process would encourage foreign investment and spur economic growth. As Selby (2008) has argued, peace processes are by nature protracted. This permits the incremental consolidation of support and consensus both between conflict parties, and internally within their constituencies. It provides time for peace dividends to be realised, and to build popular support for peace. The incremental approach delivered some limited progress on the ground by rolling back some of the high security zones in the North, whilst also providing some political progress in the form of a joint commitment to federalism at a meeting in Oslo in December 2002 (Goodhand et al 2011: 42).

Breakdown and failure of the process

After six rounds of talks, negotiations eventually stalled in 2003. The trigger for this breakdown was the LTTE's decision to pull out of negotiations after being banned from attending talks in the United States, although as Uyangoda (2011) has argued the LTTE's enthusiasm for talks was already waning by this time. The failure of the peace process was related to a variety of flaws in its architecture and design. These included an over-reliance on international actors, which undermined Wickramasinghe's local legitimacy and provided political space for a nationalist backlash to mobilise support in opposition to the peace process. The bi-polar approach to the peace talks also excluded important players such as the Muslims and nationalist parties such as the JVP and the JHU, who began to engage in spoiling behaviour. International actors were arguably too assertive in their use of economic incentives, committing \$4.5 billion of aid at a donor conference in Tokyo in 2003, which was made conditional upon further progress in peace talks. This approach seemed to put 'the development cart before the political horse', raising the stakes before establishing trust and a clear set of rules about how resources would be allocated (Sriskandarajah 2003). The danger of leaving these political issues unresolved was demonstrated by the controversies surrounding the Interim Self-Governing Authority (ISGA) and the Post-Tsunami Operational Management Structure (P-TOMS) negotiations.

The failure of the peace process can also be traced to broader weaknesses in the UNF government's development and reform package. While certain aspects of the government's development strategy, such as the implementation of reconstruction activities in the North and East, promised to bolster popular support for the peace process, its rapid reforms, particularly the removal of fertilizer and flour subsidies and a public sector hiring freeze, were deeply unpopular in the Southern polity, and eroded Wickramasinghe's electoral base and contributed to his party's defeat in the 2004 parliamentary elections. The UNF government's highly technocratic approach alienated voters and lacked compensatory

measures that might have softened the blows wrought by his austerity agenda. The liberalisation strategy neglected the widespread opposition to market reform that existed amongst the Southern electorate (Venugopal 2015).

The limited proceeds of growth from Wickramasinghe's short period in office were heavily concentrated in the Western Province that surrounded the capital Colombo (by 2005, a disproportionate percentage of Sri Lanka's GDP was concentrated here - 50% of GDP for 29% of the population). This failure to prioritise equitable development in the conflict-affected regions of the North and East represented a missed opportunity to build trust and popular support for the peace process. As will be discussed below, these regional inequalities in economic development have played an important role in shaping minority perceptions of the state throughout Sri Lanka's post-independence history.

Lack of consensus on state reform

While the election of the UNF government appeared an opportune moment for internationally-supported peacemaking, the apparent alignment of interests between international and local actors masked deep structural tensions domestically and internationally. The underlying political settlement in the South was particularly fragile during this time – this was a period of 'co-habitation' where the Presidency was in the hands of one main party (SLFP), and the parliament in the hands of the other (UNP). Although there was some limited progress in the talks, including a joint statement on a federal solution, negotiating positions were fragile and there was no underlying agreement between the

conflict parties or within the Southern polity about the appropriate starting point for state reform (Uyangoda 2011).

As Uyangoda has argued, at least three conflicting positions on the need for state reform can be observed. Two of these positions held that state reform needed to occur while the conflict was ongoing - either based on a calculation that this would simply reduce incentives for fighting and lead to a lasting peace agreement, or a more pragmatic stance that saw proposing state reform while fighting continued, undermining support for separatism. A third position, held by nationalist groups and Mahinda Rajapaksa after 2005, saw state reform as something that needed to be deferred until after the war had been concluded through a military victory.

International commitment to state reform also wavered over this period. Although the main international backers of the peace process appeared to present a coherent stance during the early part of the peace process, this consensus quickly unravelled, with India and the US gradually adopting a more unilateralist and securitised approach to the conflict (Fernando 2014). These shifts were influenced both by trends in global security policy prompted by the attacks of September 2001 and a response to the growing influence of China in the Indian Ocean region. China challenged emerging norms associated with the liberal peacebuilding model, and provided new opportunities for Sri Lanka to re-balance its external relations. These opportunities were grasped by the new Rajapaksa government, as will be discussed in the next section.

In summary, efforts to support a successful negotiated settlement to the conflict during this first phase of Sri Lanka's transition were undermined by a lack of consensus between the conflict parties about the need for state reform, a lack of popular support in the Southern polity for reform, and significant divisions amongst key political actors in the South about the most appropriate sequencing of conflict resolution and state reform measures. As some

analysts have argued therefore, the failure of the peace talks can be read partly as a misreading by international actors of domestic dynamics (Goodhand et al 2011). The breakdown of talks also highlights broader limitations in some of the core assumptions that underpinned the peace process, however, such as the belief that processes of economic development would help to consolidate popular support for peace and the idea that the protracted nature of the peace process would allow time for trust to be built between the two sides.

3. Military victory and victor's peace: Departing from international 'best practice'

Achieving military victory

President Rajapaksa immediately adopted a different set of priorities in relation to the conflict. First, he abandoned the emergent consensus in the southern polity around the need to pursue a political solution. He quickly demerged the north and east provinces and asserted the position that a unitary state solution was possible without further devolution. Second, although peace talks continued until 2006, he prioritised a military solution, increasing defence spending in his 2006 budget and presenting the LTTE as the main obstacle to peace. As Uyangoda (2011a) has argued, this change arguably represented 'a realistic assessment of the unbridgeable mismatch between the low level of enthusiasm for radical state reform amongst the Sinhalese electorate and the minimal position of the LTTE (a confederal system)'.

The war resumed in 2006 and by 2007 the Sri Lankan armed forces had won back control of the East. By May 2009, the remaining LTTE territories in the north had been recaptured. The final stages of the war saw an estimated 300,000 civilians trapped behind LTTE lines. Subsequent reports by the UN and the International Crisis Group presented evidence of war crimes and crimes against humanity against both sides, with an estimated 40,000 civilians

killed during the final months (ICG 2010; UN 2011). This strategy was supported by close marshalling of the media and political dissent and relied on a distancing of traditional western donors and closer links with China, Pakistan and other regional allies. These allies provided diplomatic and financial support, which helped maintain the war effort and deflect western political pressure at the UN.

Rajapaksa was able to hold his domestic political coalition together by enticing opposition parliamentarians to crossover to the government through offers of ministerial positions.

While Rajapaksa was able to ride the wave of his military success in the post-war period, his coalition was bolstered more broadly by a populist stance that played up the threat posed by western interference in Sri Lanka's sovereign affairs, and the need for a more autarkic approach to economic development. It is important to recognise therefore that Rajapaksa's approach to the conflict was closely intertwined with his own personal strategy for holding onto power which involved the careful cultivation of a broad nationalist political coalition sustained through patronage and popular appeals to voters. As Venugopal (2015) has argued, this approach also implied a wider transformation of the executive presidency, embedding it in mass politics and subverting its original goal of insulating the political leadership from the populist demands.

Post-war political and security strategy

Rajapaksa's post-war security and political goals were closely intertwined. His strategy involved a privileging of national security and regime consolidation over human security and political transformation: a strategy that diverged significantly from international 'best practice'. The President denied the need to develop credible accountability measures and promote reconciliation. In part, this can be explained by several unusual characteristics of the Sri Lankan case. While security dilemmas loom large in many post-conflict settings, the fact

that the LTTE were comprehensively defeated and most of its key leaders killed in battle meant that they posed little realistic threat in the post-war period. While some LTTE cadres were captured and underwent a reintegration process, the majority were killed in battle.

Unlike conflicts ended through a peace agreement, where there is a need to maintain a more inclusive political settlement, Rajapaksa was not reliant on political support from minority voters, and instead continued his wartime strategy of acceding to nationalist interests, while prompting divisions within opposition parties and winning over opposition MPs to the government side. The closed domestic political environment that had facilitated military victory continued into the post-war period. Rajapaksa mobilised in opposition to international norms, resisting calls for international accountability mechanisms and maintaining very tight control over NGO activities in the field of trauma counselling, human rights, or peacebuilding (Goodhand 2010; Samath 2011). This dynamic followed a long-standing pattern of mobilising in opposition to NGOs but was pursued more comprehensively by the Rajapaksa regime (Walton 2008; 2012). Although actual threats to national security appeared minimal, the regime continued to play up the perception of threats by exaggerating the activities of the LTTE overseas, or providing space for chauvinistic civil society groups such as the *Bodu Bala Sena* to engage in campaign of intimidation and violence against Muslims. Spy cables leaked by Al-Jazeera in 2015 reveal how the regime deliberately exaggerated the extent of LTTE activities in South Africa in the post-war period (Thottam 2015).

Rajapaksa used his electoral popularity and success at drawing over political opponents to carry out significant state reforms and assert the power of the executive. In 2010, he successfully introduced an eighteenth amendment to the constitution which abolished the two-term presidential limit and provided the president with greater control over the constitutional council, strengthening his control over the bureaucracy. In 2013, the chief justice was impeached, compromising the independence of the judiciary.

There was a significant expansion in the size of the military during the post-war period. The armed forces grew by around 50% since the end of war, with a new record level of defence spending - \$1.95 billion – set in 2013 (AFP 2013). The post-war military presence was heavily concentrated in the Northern Province where 16 out of 19 divisions of the Sri Lankan army are stationed, and where there is an estimated civilian-military ratio of 5:1 (Anon 2012). The establishment of a new network of military bases and cantonments in the North drove widespread fears that militarisation was part of a wider government-led strategy Sinhalaisation (ICG 2012). Military employment has long been critical to the rural economy in Sri Lanka, and this prioritisation of defence spending can be viewed through a lens of ‘military fiscalism’, where the core Sinhalese electorate in the South were compensated with jobs in the army to counterbalance the impact of cuts to other public sector jobs (Venugopal 2011). The military became more intimately involved in civilian governance in the North after the end of the war with a retired major general G.A. Chandrasiri appointed governor of the North and keeping a close oversight over humanitarian and development activities. The military took over decision-making in contentious areas such as the allocation of land (ICG 2012a). This approach served the Rajapaksa regime’s political interests by limiting space for critical alternative voices to emerge, and by providing greater opportunities for corruption by reducing accountability and transparency (ICG 2012a).

Economic reform and development

Rather than acknowledging the need to promote accountability and reconciliation and address core political differences between the two sides, Rajapaksa framed Sri Lanka’s main post-war challenge as one of under-development and set about promoting rapid economic development. His prioritisation of economic development was clearly outlined in his 2010 Presidential election manifesto – *Mahinda Chintana: Vision for the Future* – which outlined the need to achieve an 8% growth rate and to develop Sri Lanka’s ailing infrastructure.

Development was presented as a solution to the problems facing the northern and eastern provinces, which benefitted from two programmes, the ‘Eastern Re-awakening’ programme, and the ‘Northern Spring’ programme both launched after the ‘liberation’ of the Eastern and Northern provinces respectively. The Northern Spring programme received donor commitments of over \$2 billion (Fonseka & Raheem 2011). These programmes emphasised infrastructure development particularly the development of railway services, road construction but also promoting hotel development and irrigation schemes. As Goodhand (2010) has argued, the Eastern re-awakening programme was closely linked to a stabilization agenda that deliberately appropriated but subverted emerging international models. Hoglund and Orjuela (2011) similarly argue that ‘conflict prevention’ measures conducted in the context of a victor’s peace had the effect of reinforcing existing power relations and exacerbating rather than alleviating existing conflicts. These programmes consisted of large-scale top-down plans for resettlement and development. One of the major grievances of minority communities living in the North and East has concerned the designation of lands as high security or special economic zones (Fonseka & Raheem 2011). In many instances, lands previously occupied by displaced minorities were occupied by military or other state actors. The contemporary concerns of minority groups are closely connected to broader patterns of development and resettlement in the North and East since the 1960s, where Sinhalese peasants were settled in Tamil majority areas (ICG 2008; Muggah 2008; Brun & Jazeel 2009). These historical experiences have shaped minority perceptions about the intentions and identity of the state, and have formed an important part of the grievances of Tamil nationalists.

Since 2005 Rajapaksa had set out to implement a more autarkic economic vision, which emphasised the need for balanced growth through rapid infrastructure development, promotion of SMEs and limiting further liberal economic policy reforms (though few existing

reforms were rolled back) (Athukorala & Jayasuriya 2013). Rajapaksa adopted an assuredly populist and state-led approach to economic growth, distancing himself from the rapid reforms of the Wickramasinghe period and western-driven notions of development. As this excerpt from a speech given at the commencement of work on Hambantota port in 2010 demonstrates, Rajapaksa's development strategy was presented as an assertion of Sri Lankan sovereignty in the face of western intervention and mainstream development models:

There are political groups and other organizations that use poverty for their own benefit. They do not like to see the eradication of poverty. They like to see our people continue to suffer in poverty. What they would like to see is continuance of suffering of the people as in the days of Leonard Woolf (Rajapaksa 2010).

This strategy presented infrastructure development as the main route to economic progress, prioritising 'hardware' projects such as the construction of new expressways, railways, ports and power stations. Many of these projects were based in the South and some, such as the construction of a sports stadium and international airport in Hambantota district, were of questionable strategic value. GDP grew at around 8% during the post-war period, driven largely by the transport and construction sectors (Athulkorala & Jayasuriya 2013). The emphasis on infrastructure development generated inflationary pressures and a rise in the exchange rate, making Sri Lanka a less attractive destination for foreign investment (Athulkorala & Jayasuriya 2013). This highly-centralised economic strategy fuelled a wider expansion of cronyism during Rajapaksa's period in office. Officials and politicians close to the regime have benefitted from rents generated from these large infrastructure projects, while import-competing business groups with close links to the government have benefitted from rises in import taxes (Athulkorala & Jayasuriya 2013). These patterns of development have been politically functional for the regime, and have been exploited as a tool for incentivising crossovers of political opponents. Another important consequence, heavily

critiqued in Mathiripala Sirisena's winning presidential election campaign in 2015, was the ballooning of public debt associated with these large infrastructure projects, many of which relied on loans with commercial rates of interest from Chinese state-backed companies and export credits.

A key weakness in this economic strategy has been a failure to match even the limited economic dividends generated during the ceasefire period. There was little job creation or private sector growth in the north and east, and the overall poverty headcount rate fell more slowly during the post-war period than it did during the ceasefire (IRIN 2012; Sarvananthan 2015). Rising inflation was a key cause for concern among the Southern electorate, while the improved infrastructure in the conflict-affected regions has not generated many tangible benefits to ordinary people living in these regions. At the same time, the extensive restrictions placed on NGOs' activities in the former war zone have limited a key source of support for vulnerable populations in the northern and eastern provinces. Although no official figures are available, Sarvananthan (2015) estimates that NGOs provided \$100m annually to marginalised communities in Sri Lanka.

Accountability and reconciliation

Although Rajapaksa's wider political strategy denied the existence of an 'ethnic problem' in Sri Lanka, and asserted that the only substantive grievances facing minority communities were economic ones, his government nevertheless engaged in some initiatives to address reconciliation and accountability issues. In response to international pressure the government appointed a 'Lessons Learned and Reconciliation Commission' (LLRC) in 2010, with the aim of investigating the actions of both parties in the war, and providing recommendations to achieve reconciliation in the future. Although hearings in the North provided a valuable opportunity for affected people to voice their grievances about the war ending and the post-

war situation in a public forum, the Commission was criticised by international human rights organisations and the UN Panel of Experts who questioned its independence and argued that it failed to meet international standards (BBC 2010). The Commission's report was made public in December 2011, and was criticised for failing to provide accountability for violations of international humanitarian law.

The LLRC made a series of recommendations relating to demilitarisation, resettlement, power-sharing and rule of law reforms (including, for example, the need for a special commissioner to investigate disappearances, that the national anthem be sung in both Sinhala and Tamil, and that government offices have at least one Tamil speaker), but very few of these were implemented. Another largely cosmetic concession to international pressure has been the holding of elections and the appointment of the northern provincial council in 2013. Although the election of a TNA-led northern provincial council was symbolically important, the council was given very few powers and was consistently undermined by the regime.

While some commentators have been critical of international pressure for an investigation into war crimes on the grounds that it undermines a local process and 'unintentionally creates the space for the regime to burnish its...anti-western and patriotic credentials' (Welikala cited in Anketell 2012, 1), others have argued that the regime's opposition to international accountability mechanisms has actually cost the country financially. Anketell (2012) claims that while this confrontational approach provided a short-term boost to the regime's popular legitimacy, this was outweighed by the long-term costs by limiting opportunities for low-cost financing from western donors. Although the LLRC represents an attempt to 'bury the question of war crimes by diverting attention to a nascent governance reform agenda', this strategy could be seen to have backfired as it has in fact provided human rights and democracy campaigners with a useful tool with which to draw attention to ongoing human rights and democracy concerns (Anketell 2012, 7).

Tamil activists and political parties have remained strongly committed to an international investigation into alleged war crimes during the closing stages of the war. The main Tamil party in Sri Lanka - the Tamil National Alliance - campaigned on the issue of war crimes in the 2011 elections and has supported accountability on the grounds that it would help to promote reconciliation and assist communities and individuals directly affected by violence to come to terms with their experience. Opponents of the Rajapaksa regime, however, have not been consistent or unified in their approach to drawing concessions from the government. In the post-war period, there have been clear divides between Tamil activists and political parties (both within Sri Lanka and outside) who prioritised action on war crimes or crimes against humanity, and others who felt that accountability for mass killings committed during the final stages of the war need to be considered in light of a wider span of abuses committed by the Sri Lankan state since independence (Walton 2015). This latter stance was adopted by a growing number of Tamil diaspora groups during the post-war period, and more recently by the TNA-led northern provincial council in a declaration made after the defeat of President Rajapaksa in the 2015 presidential elections, which was followed by widespread public displays of support for a wider investigation into genocide (Haidar 2015).

The 2015 Presidential elections and their aftermath

The unexpected defeat of Mahinda Rajapaksa in the Presidential elections of January 2015 appears to present another critical juncture in Sri Lanka's war to peace transition. Maithripala Sirisena, the opposition candidate, was elected on the grounds that he would repair some of the damage done to Sri Lanka's democratic institutions by the Rajapaksa regime, reform the executive presidency, and restore a more circumspect approach to economic development, placing less emphasis on large-scale infrastructure and restoring higher standards of transparency. Whilst Rajapaksa lost support from minorities based on his failure to address accountability issues or reign in chauvinistic attacks on Muslims, his popularity with the

Sinhalese electorate also suffered from growing concerns about corruption and nepotism, and Rajapaksa's failure to adequately address the high cost of living. Rajapaksa also failed to balance support from China and India effectively and lost support from the Indian government, who backed Sirisena in the election.

At the time of writing (May 2015), it is too early to make any definitive pronouncements on Sirisena's presidency. Since his election in January 2015, Sirisena's government has made some progress in rolling back Rajapaksa's centralising reforms. The eighteenth amendment was repealed, and the constitutional council restored. Improvements have also been made in other areas: media freedom has improved, freedom of information legislation has been passed, several investigations into corruption have been initiated, military governors in the northern and eastern provinces have been replaced with civilians, and land allocated by the previous government for investment or military purposes has been returned to its original inhabitants. Despite these achievements, Sirisena has had to progress cautiously on issues of accountability and reconciliation. Like Rajapaksa, he relies on support from heartland Sinhala nationalist voters, creating strong pressure to avoid retributive justice measures. The idea of an international investigation into war crimes remains politically toxic at the domestic level - Sirisena conceded that he would not support a UN-led mechanism in the event that he won the Presidential election. Any attempt to use international mechanisms to weaken Rajapaksa has the potential to backfire and provide further opportunities for the former President and nationalist allies to vilify his opponents as peddling western interests and betraying Sri Lankan sovereignty. As such, Sirisena's victory also reveals the wider constraints facing Sri Lanka's Southern elite in their efforts to build peace.

To conclude, this section has described how the Rajapaksa government's key priorities during and after the war – including the decision to privilege development over state reform and accountability, to promote infrastructural development rather than pursuing a more

broadly-based development agenda, and to seek to achieve national security at the expense human security – were driven more by the goal of regime consolidation than by a desire to promote peace. As Rajapaksa’s defeat in 2015 illustrates, this strategy of regime consolidation had several flaws. The regime became increasingly reliant on patronage and corruption to hold together its coalition which gradually eroded the President’s credibility with the electorate. The negative consequences of its debt-fuelled development strategy accumulated over time in the form of rising inflation and the failure to translate economic growth into a widespread improvement in living standards. The government’s efforts to play India and China off against each other pushed the latter too far.

4 Conclusions

Sri Lanka’s war to peace transition has been punctuated by a series of critical junctures that have marked out clear changes in the priorities and goals of key actors. Peacebuilding was a prominent goal for the main conflict parties and for international actors during the first period examined in this chapter. This commitment to peacebuilding, however, masked deeper disagreement about the most appropriate sequence for key peacebuilding reforms. While there was a stated joint commitment to a gradual approach that privileged economic development and normalisation, the LTTE were less committed to this approach and the UNF were far more ambivalent about the need for state reform. Although this period appeared to offer a golden opportunity for a negotiated settlement, the two sides’ positions were not closely aligned and the both the domestic and the international political situation was quite unstable.

The Rajapaksa government was also concerned with conflict termination, but saw military defeat of the LTTE as the main objective. After the war’s end, regime consolidation rather

than peacebuilding was the primary goal. The privileging of national over human security, and the prioritisation of narrow economic development over progressive state reform and accountability measures were informed by the regime's need to hold a divergent political coalition together.

Although Rajapaksa enjoyed strong popular support at the end of the war, many of the political dynamics that underpinned his success in wartime – including his appeals to Sinhala nationalist ideology, his expansion of the military, and his realignment of Sri Lanka's external relations – limited his room for manoeuvre in the post-war period. As a result, the trends towards political centralisation, securitization, and rejection of western approaches to peace and conflict continued after 2009. While Rajapaksa accrued some short-term benefits from this approach, the reliance on nationalist sentiments narrowed his political base and growing cronyism weakened his government's popular legitimacy over time.

Sri Lanka's experience since 2002 illustrates a number of more general points about the sequencing of peacebuilding interventions. First, the case demonstrates the limitations of the theory that economic development can precede meaningful political progress. During the peace process, international actors and the UNF government overestimated both the extent to which economic incentives would induce commitment from the LTTE, and the degree to which economic growth would boost popular support for peace. In the victor's peace that followed, a militarised, top-down development focused on infrastructure also failed to build trust and stability. While this signals some general risks of prioritising economic over political issues, many of the problems that arose in this case stem at least as much from the type of economic development model pursued as from the fact of prioritising economic issues *per se*.

Second, developments in the Sri Lankan case appear to confirm the view that a stable and inclusive political settlement is a critical prerequisite to meaningful progress in other areas. Peace negotiations were undermined by a lack of consensus on political reform between the main conflict parties, and wider divisions in the political balance both domestically and internationally. During the post-war period, an exclusive political settlement limited space for progress in reconciliation, demobilisation and inclusive economic development. Development and governance reforms initiated during this period were largely counter-productive for peace.

The influence of international actors on peacebuilding dynamics was limited during the peace process, and diminished further after the election of Mahinda Rajapaksa. The case nevertheless generates a wider set of lessons about the timing of international engagement. First, it shows some of the limits of the belief that protracted peace processes where hard political decisions are deferred will help to build trust and popular support for the peace process. In the Sri Lankan case, a lack of political progress combined with intense international engagement eroded the LTTE's support for the process while a lack of improvements in living standards diminished any widespread sense of a peace dividend. While this case by itself does not disprove the benefits of a gradual approach, it does highlight some dangers associated with the pursuit of a gradual approach in the absence of an underlying agreement between the conflict parties, and reinforces similar findings generated by comparative studies (see, for example, Bose 2003).

Second, Sri Lanka's war to peace transition proceeded along a trajectory marked by critical junctures where opportunities for meaningful engagement proved fleeting. During the peace process, political space for negotiations quickly diminished in response to changes in the military balance of power on the ground and geo-political shifts. Space reduced further after the election of Mahinda Rajapaksa, who used western intervention as an instrument to

burnish his nationalistic credentials. International intervention in this context was double-edged, and proved counter-productive by empowering actors who seek to play up threats to sovereignty and distinguish their own strategies from international 'best practice'.

Identifying key turning points in a war to peace transition is challenging and needs to be built on a deep understanding of domestic political dynamics. As Goodhand et al (2011) have argued, a deeper understanding of the material and symbolic effects of intervention may have helped to minimise some of the unintended consequences that resulted from the negotiations. This case also suggests that the timing of peacemaking interventions also needs to be informed by a realistic assessment of international dynamics. The Sri Lankan case illustrates that conflicting agendas from international actors and broader shifts in geopolitical interests can also play a key role in determining progress.

Third, the case has emphasised the importance of an historical perspective when assessing the sequencing of peacebuilding interventions. Debates about the appropriate sequencing of economic, security and political interventions do not take place in a vacuum but rather are based on interests and assumptions accumulated through decades of political debate.

Sequencing decisions need to be informed by an analysis of the symbolic politics of proposed measures. In Sri Lanka, for example, economic liberalisation was deeply unpopular amongst certain political constituencies in the South, and a lack of sensitivity to this fact supported a nationalist backlash. This point implies that rather than seeking generic models of sequencing, international donors should pay very careful attention to the specific, contextualised meanings attached to certain models of social and political change.

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